



HOUSE BILL No. 4549

EXECUTIVE BUDGET BILL

March 24, 1993, Introduced by Reps. Bobier, Bender, Middleton, Allen, Gilmer, Stille, Sikkema, and Oxender and referred to the Committee on Appropriations.

A bill to make appropriations for the department of agriculture for the fiscal years ending September 30, 1994 and September 30, 1995; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to require reports, audits, and plans; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by certain state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the department of agriculture
2 for the fiscal year ending September 30, 1994, from the following
3 funds:

1 DEPARTMENT OF AGRICULTURE

2 APPROPRIATION SUMMARY:

3	Full-time equated unclassified positions . . .	6.0	
4	Full-time equated classified positions . . .	567.0	
5	GROSS APPROPRIATION	\$	56,446,700
6	Total interdepartmental grants and		
7	intradepartmental transfer		558,600
8	ADJUSTED GROSS APPROPRIATION	\$	56,888,100
9	Federal revenues:		
10	Total federal revenues		5,768,600
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		0
14	Total other state restricted revenues		22,791,300
15	State general fund/general purpose	\$	27,328,200
16	DEPARTMENT OPERATIONS		
17	Full-time equated unclassified positions . .	6.0	
18	Full-time equated classified positions . .	527.3	
19	Commission and boards	\$	48,600
20	Director--1.0 FTE position		84,800
21	Unclassified positions--5.0		331,600
22	Executive direction--8.5 FTE positions		842,200
23	Affirmative action--2.0 FTE positions		192,600
24	Statistical reporting service--4.0 FTE positions		408,400
25	USDA data collection program--18.0 FTE positions		1,538,700
26	Central fund - federal funds		1,034,800
27	Management services--77.0 FTE positions		6,644,100
28	Pesticide and plant pest management--99.3 FTE		

1	positions	8,633,900
2	Animal industry--24.0 FTE positions	1,727,800
3	Dairy products--42.0 FTE positions	3,072,000
4	Food and consumer protection--106.0 FTE positions	6,751,800
5	Laboratory support--85.5 FTE positions	5,704,900
6	Environmental protection--23.0 FTE positions . .	1,658,000
7	Marketing and market development--38.0 FTE positions	<u>2,535,700</u>
8	GROSS APPROPRIATION \$	41,209,900
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from Commerce (LCC)-liquor quality	
12	testing fees	146,500
13	IDG from Commerce (LCC)-nonretail liquor	
14	license fees	412,100
15	Federal revenues:	
16	DAG-AMS, cooperative agreement	1,561,600
17	DAG-APHIS, plant and animal disease	
18	and pest control	21,000
19	DAG-FS, multiple grants	1,776,300
20	EPA-OE, pesticides enforcement program grants .	723,300
21	EPA-OWWM, water pollution control, lake	
22	restoration cooperative agreements	239,200
23	Federal revenue, additional acquired	1,034,800
24	HHS-FDA	202,400
25	Special revenue funds:	
26	Civil penalties	25,900
27	Horse racing revenues	2,598,200
28	Industry support funds	76,300

1	Licensing and inspection fees	3,988,500
2	Motor fuel quality	1,630,900
3	Pseudorabies and swine brucellosis	147,400
4	Testing fees	161,800
5	Upper peninsula state fair revenue	703,200
6	State general fund/general purpose \$	25,760,500
7	OFFICE OF RACING COMMISSIONER	
8	Full-time equated classified positions 39.7	
9	Licensing and regulation--39.7 FTE positions . . . \$	2,896,800
10	Promotion	<u>380,000</u>
11	GROSS APPROPRIATION \$	3,276,800
12	Appropriated from:	
13	Special revenue funds:	
14	Horse racing revenues	3,276,800
15	State general fund/general purpose \$	0
16	GRANTS	
17	Grants to local soil conservation	
18	districts/clean water incentive program . . . \$	937,000
19	Future farmers of America	28,500
20	Grant to Southwestern/Michigan tourist council .	60,400
21	Food bank	500,000
22	Northwest Michigan horticultural	
23	research station	41,800
24	Michigan State University-EPA	210,000
25	Purses and supplements-fairs	2,421,600
26	Standardbred purses and supplements-licensed	
27	tracks	284,500
28	Standardbred Michigan futurity	56,900

1	Standardbred Fedele Fauri futurity	56,900
2	Standardbred breeders' awards	875,300
3	Light horse racing-grants to county fairs . . .	70,500
4	Premiums-county and state fairs	1,288,400
5	Great Lakes draft horse horse show	98,800
6	Building and track improvement-county	
7	and state fairs	475,000
8	Standardbred training and stabling	44,200
9	Thoroughbred training and stabling	64,600
10	Thoroughbred program	1,449,700
11	Standardbred sire stakes program	711,300
12	Grant to cities with racetracks	1,745,600
13	Thoroughbred sire stakes program	358,800
14	Water wonderland breeder awards	137,500
15	Appaloosa/Arabian/quarterhorse programs	<u>42,700</u>
16	GROSS APPROPRIATION	\$ 11,960,000
17	Appropriated from:	
18	Federal revenues:	
19	EPA-OE, pesticides enforcement program grants .	210,000
20	Special revenue funds:	
21	Horse racing revenues	10,182,300
22	State general fund/general purpose	\$ 1,567,700

1 Sec. 102. There is appropriated for the department of agriculture
2 for the fiscal year ending September 30, 1995, from the following
3 funds:

4 DEPARTMENT OF AGRICULTURE

5 APPROPRIATION SUMMARY:

6	Full-time equated unclassified positions . . .	6.0	
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12	Federal revenues:		
13	Total federal revenues		5,768,600
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18	State general fund/general purpose	\$	27,328,200

19 DEPARTMENT OPERATIONS

20	Full-time equated unclassified positions . .	6.0	
21	Full-time equated classified positions . .	527.3	
22	Commission and boards	\$	48,600
23	Director--1.0 FTE position		84,800
24	Unclassified positions--5.0		331,600
25	Executive direction--8.5 FTE positions		842,200
26	Affirmative action--2.0 FTE positions		192,600
27	Statistical reporting service--4.0 FTE positions		408,400
28	USDA data collection program--18.0 FTE positions		1,538,700

1	Central fund - federal funds	1,034,800
2	Management services--77.0 FTE positions	6,644,100
3	Pesticide and plant pest management--99.3 FTE	
4	positions	8,633,900
5	Animal industry--24.0 FTE positions	1,727,800
6	Dairy products--42.0 FTE positions	3,072,000
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8	Laboratory support--85.5 FTE positions	5,704,900
9	Environmental protection--23.0 FTE positions . .	1,658,000
10	Marketing and market development--38.0 FTE positions	<u>2,535,700</u>
11	GROSS APPROPRIATION	\$ 41,209,900
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15	testing fees	146,500
16	IDG from Commerce (LCC)-nonretail liquor	
17	license fees	412,100
18	Federal revenues:	
19	DAG-AMS, cooperative agreement	1,561,600
20	DAG-APHIS, plant and animal disease	
21	and pest control	21,000
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24	EPA-OWWM, water pollution control, lake	
25	restoration cooperative agreements	239,200
26	Federal revenue, additional acquired	1,034,800
27	HHS-FDA	202,400
28	Special revenue funds:	

1	Civil penalties		25,900
2	Horse racing revenues		2,598,200
3	Industry support funds		76,300
4	Licensing and inspection fees		3,988,500
5	Motor fuel quality		1,630,900
6	Pseudorabies and swine brucellosis		147,400
7	Testing fees		161,800
8	Upper peninsula state fair revenue		703,200
9	State general fund/general purpose	\$	25,760,500
10	OFFICE OF RACING COMMISSIONER		
11	Full-time equated classified positions	39.7	
12	Licensing and regulation--39.7 FTE positions	\$	2,896,800
13	Promotion		<u>380,000</u>
14	GROSS APPROPRIATION	\$	3,276,800
15	Appropriated from:		
16	Special revenue funds:		
17	Horse racing revenues		3,276,800
18	State general fund/general purpose	\$	0
19	GRANTS		
20	Grants to local soil conservation		
21	districts/clean water incentive program	\$	937,000
22	Future farmers of America		28,500
23	Grant to Southwestern/Michigan tourist council		60,400
24	Food bank		500,000
25	Northwest Michigan horticultural		
26	research station		41,800
27	Michigan State University-EPA		210,000
28	Purses and supplements-fairs		2,421,600

1	Standardbred purses and supplements-licensed	
2	tracks	284,500
3	Standardbred Michigan futurity	56,900
4	Standardbred Fedele Fauri futurity	56,900
5	Standardbred breeders' awards	875,300
6	Light horse racing-grants to county fairs . . .	70,500
7	Premiums-county and state fairs	1,288,400
8	Great Lakes draft horse horse show	98,800
9	Building and track improvement-county	
10	and state fairs	475,000
11	Standardbred training and stabling	44,200
12	Thoroughbred training and stabling	64,600
13	Thoroughbred program	1,449,700
14	Standardbred sire stakes program	711,300
15	Grant to cities with racetracks	1,745,600
16	Thoroughbred sire stakes program	358,800
17	Water wonderland breeder awards	137,500
18	Appaloosa/Arabian/quarterhorse programs	<u>42,700</u>
19	GROSS APPROPRIATION	\$ 11,960,000
20	Appropriated from:	
21	Federal revenues:	
22	EPA-OE, pesticides enforcement program grants .	210,000
23	Special revenue funds:	
24	Horse racing revenues	10,182,300
25	State general fund/general purpose	\$ 1,567,700

1 **GENERAL SECTIONS FOR FY93/94**

2 Sec. 201. (1) In accordance with the provisions of section 30 of
3 article IX of the state constitution of 1963, total state spending in
4 this appropriation act is \$50,119,500.00 and state appropriations to
5 be paid to local units of government in section 101 are as follows:

6 **DEPARTMENT OF AGRICULTURE**

7 Grants to soil conservation districts	\$	937,000
8 Grants to cities with racetracks		1,745,600
9 TOTAL	\$	2,682,600

10 (2) When it appears to the principal executive officer of each
11 department that state spending to local units of government will be
12 less than the amount that was projected to be expended for any
13 quarter, the principal executive officer shall immediately give notice
14 of the approximate shortfall to the department of management and
15 budget, the senate and house appropriations committees, and the senate
16 and house fiscal agencies.

17 Sec. 202. The appropriations made and the expenditures authorized
18 under this act and the departments, agencies, commissions, boards,
19 offices, and programs for which an appropriation is made under this
20 act are subject to the management and budget act, Act No. 431 of the
21 Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan
22 Compiled Laws.

23 Sec. 203. As used in this act:

24 (a) "Department" means the department of agriculture.

25 (b) "Director" means the director of the department.

26 (c) "DAG-AMS" means the United States department of agriculture-
27 agriculture marketing service.

28 (d) "DAG-APHIS" means the United States department of

1 agriculture-animal plant health inspection service.

2 (e) "DAG-FS" means the United States department of agriculture-
3 forest service.

4 (f) "DAG-SRS" means the United States department of agriculture-
5 statistical reporting service.

6 (g) "EPA-OE" means the United States environmental protection
7 agency-office of enforcement.

8 (h) "EPA-OWWM" means the United States environmental protection
9 agency-office of water and waste management.

10 (i) "FTE" means full-time equated.

11 (j) "HHS-FDA" means the United States department of health and
12 human services-food and drug administration.

13 (k) "IDG" means interdepartmental grant.

14 Sec. 204. The department may receive and expend funds in addition
15 to those authorized in section 101 for conducting training and
16 orientation workshops and seminars that are consistent with the
17 programmatic mission of the individual unit sponsoring or coordinating
18 the program.

19 Sec. 205. Of the funds appropriated in section 101 which are in
20 units other than the grants unit, the department may provide grants to
21 local government agencies, institutions of higher education, or
22 nonprofit organizations. The grants shall be used to support research
23 or other related activities for the purpose of enhancing the
24 agricultural industries in this state.

25 Sec. 206. The funds appropriated in section 101 from the central
26 funds for acquiring additional federal funds shall not be expended
27 until the grant money is authorized by the grantor. Expenditure of
28 those funds shall be controlled through the allotment process. Funds

1 accepted under this section shall not be authorized if the receipt of
2 the funds mandates a commitment for state funding at a future date.

3 Sec. 207. (1) Beginning October 1, 1993, there shall be a hiring
4 freeze imposed on the state classified civil service. State
5 departments and agencies shall be prohibited from hiring any new full-
6 time state classified civil service employees or prohibited from
7 filling any vacant state classified civil service positions. This
8 hiring freeze does not apply to internal transfers of classified
9 employees from one position to another within a department or to
10 positions that are funded with 80% or more federal or restricted
11 funds.

12 (2) The director of the department of management and budget shall
13 grant exceptions to this hiring freeze when the director believes that
14 such a hiring freeze will result in rendering a state department or
15 agency unable to deliver basic services. The director of the
16 department of management and budget shall report by the fifteenth of
17 each month to the chairperson of the senate and house appropriations
18 committees the number of exclusions to the hiring freeze approved
19 during the previous month and the reasons to justify the exclusion.

20 Sec. 208. All savings accruing from reduced contribution rates
21 for the state employees retirement system shall be unallotted from
22 appropriation line items as necessary. Such reductions in
23 contribution rates are contingent upon enactment of amendments to the
24 state employees retirement act of 1943, Act No. 240 of the Public Acts
25 of 1943, being sections 38.1 to 38.48 of the Michigan Compiled Laws,
26 including a defined contribution retirement plan for new state
27 employees within the membership of such plan; changes in funding for
28 the provision of dental and vision benefits; five year reconciliation

1 smoothing; use of a 50 year amortization schedule for unfunded
 2 actuarial accrued liabilities; and other amendments to the act. The
 3 director of the department of management and budget shall issue
 4 instructions to all state agencies regarding contribution changes as
 5 they occur.

6 DEPARTMENT OPERATIONS

7 Sec. 301. The appropriations in section 101 may be used for per
 8 diem payments to members of boards, committees, and commissions for a
 9 full day's board, committee, or commission work at which a quorum is
 10 present; for attending a hearing as authorized by the respective
 11 board, committee, or commission; or for performing official business
 12 as authorized by the respective board, committee, or commission. The
 13 per diem payments shall be at a rate as follows:

- 14 (a) Commission of agriculture \$75.00 per day
- 15 (b) Upper Peninsula state fair board \$50.00 per day
- 16 (c) Agricultural marketing and bargaining
- 17 board \$35.00 per day

18 Sec. 302. (a) The department may receive and expend revenue and
 19 use those revenues to cover necessary expenses related to
 20 publications, audit and licensing functions, livestock sales,
 21 certification of nursery stock, bean inspection services, and
 22 laboratory analyses as specified in the following subsections:

- 23 (b) Management services publications
- 24 (c) Management services audit and licensing functions
- 25 (d) Upper peninsula state fair livestock sales.
- 26 (e) Pesticide and plant pest management propagation and
- 27 certification of virus free foundation stock.
- 28 (f) Marketing and market development protection bean inspection

1 and grading services.

2 (g) Laboratory support testing for testing horses in draft horse
3 pulling contests at county fairs when local jurisdictions request
4 state assistance.

5 (h) Laboratory support analyses to determine foreign substances in
6 horses engaged in racing or pulling contests at tracks.

7 (i) Laboratory support analysis of food, livestock, and
8 agricultural products for disease, toxic materials, foreign products
9 for disease, toxic materials, foreign substances, and quality
10 standards.

11 (j) Laboratory support analysis of liming samples.

12 (k) Laboratory support analysis of feed and fertilizer samples.

13 (l) Laboratory support test samples for other agencies and
14 organizations.

15 Sec. 303. Of the funds appropriated in section 101 to the
16 pesticide and plant pest management program, up to \$100,000.00 may be
17 made available to the Michigan cooperative extension service for the
18 purpose of training of applicators. Reimbursement shall be based on
19 actual expenditures and revenue availability.

20 Sec. 304. (1) From the amount appropriated in section 101 for the
21 pesticide and plant pest management program, \$100,000.00 shall be
22 allocated to Michigan State University for a gypsy moth education
23 program.

24 (2) Any unexpended balance which is allocated pursuant to this
25 section shall be carried forward as a work project. The purpose of
26 the project is to provide public information regarding Gypsy Moth
27 infestation. The project will be managed by Michigan State University
28 through a \$100,000.00 contract to be completed September 30, 1994.

1 Sec. 305. The racing commissioner may pay rewards of not more
2 than \$5,800.00 to a person who provides information which results in
3 the arrest and conviction on a felony or misdemeanor charge for a
4 crime which involves the horse racing industry. A reward paid
5 pursuant to this section shall be paid out of the licensing and
6 regulation line item.

7 Sec. 306. Included in section 101 is an amount not to exceed
8 \$380,000.00 for promotion of attendance at pari-mutuel horse racing.
9 The state funds shall be matched before expenditure such that each
10 \$2.00 of state funds is matched by \$1.00 of private industry funds. A
11 race meeting licensee or an association of thoroughbred and harness
12 racetracks or any horsemen's group may submit a plan and proposal to
13 the racing commissioner for use of funds authorized to be expended for
14 promotion of attendance at pari-mutual horse racing. A plan shall be
15 submitted by the commissioner to the chairpersons of the senate and
16 house subcommittees on agriculture at least 30 days before the funds
17 may be expended. Each licensee or association of thoroughbred and
18 harness racetracks or horsemen's group shall be eligible for
19 promotional funds.

20 GRANTS

21 Sec. 401. Of the \$98,800.00 appropriated in section 101 for the
22 Great Lakes draft horse show, \$35,500.00 shall be made available for
23 the Michigan dynamometers association, \$58,500.00 shall be made
24 available for the Michigan draft horse breeders association, and
25 \$4,800.00 shall be used for advertisement and promotion of an annual
26 Great Lakes international draft horse show.

27 Sec. 402. The independent audits of local units of government, as
28 required by the uniform budgeting and accounting act, Act No. 2 of the

1 Public Acts of 1968, being sections 141.421 to 141.440a of the
2 Michigan Compiled Laws, shall include an examination to determine the
3 accuracy of reports submitted in compliance with section 404 of this
4 act.

5 Sec. 403. Of the \$137,500.00 appropriated in section 101 for
6 water wonderland breeder awards, not more than 2% of the amount
7 appropriated may be used for administrative expenses required to
8 manage the program, the remainder shall be expended for premiums,
9 judges, ribbons and trophies, promotion, and to send state champions
10 to national shows. Large breeds receiving over \$8,000.00 may use up
11 to 20% for a show held separate from county or state fairs.

12 Sec. 404. A county fair, district fair, 4-H fair, or state fair
13 receiving funds under this act to be used for prizes or awards, in
14 whole or in part, as a condition precedent to the receiving of the
15 funds for those purposes, shall publish the rules relative to the
16 prizes, awards, and deadlines for entries eligible for the funds in
17 their official premium books or lists relative to the prizes or
18 awards. An aggrieved exhibitor may make a written complaint to the
19 fair within 10 days after the fair ends. If the fair has not
20 satisfactorily settled the grievance within 45 days after it is
21 submitted to the fair, the aggrieved person may file the complaint
22 with the department and the department shall investigate the complaint
23 and make a finding of fact regarding the complaint and take
24 appropriate action regarding the complaint.

25 Sec. 405. Of the horse race revenues collected for the
26 standardbred sire stakes program, grants to cities with racetracks,
27 and the thoroughbred sire stakes program, \$2,045,400.00 shall be
28 appropriated to the general fund of the state in the following

1 respective amounts: standardbred sire stakes program - \$127,900.00;
 2 grants to cities with racetracks - \$1,839,100.00; thoroughbred sire
 3 stakes program - \$78,400.00.

4 Sec. 406. (1) Except as provided in subsection (2), the
 5 appropriation of \$284,500.00 in section 101 for purses and supplements
 6 - licensed tracks is intended to provide state purse supplements for 4
 7 races at state licensed pari-mutuel horse racing tracks. The purse
 8 supplements are to be used for races comprised only of Michigan bred
 9 horses segregated into a 4-year-old colt trot division, a 4-year-old
 10 filly trot division, a 4-year-old colt pace division, and a 4-year-old
 11 filly pace division.

12 (2) Of the \$284,500.00 appropriated in section 101 for purses and
 13 supplements licensed tracks, \$71,200.00 shall be allocated as follows:

14	Arabian and Appaloosa horse racing	\$	17,800
15	Quarter horse racing		53,400

16 Sec. 407. Of the amount appropriated in section 101 for purses
 17 and supplements-fairs, a sufficient amount is appropriated to provide
 18 for overnight purse supplements at the maximum supplement of \$1,000.00
 19 per overnight race.

20 Sec. 408. Of the amount appropriated in section 101 for premiums,
 21 \$12,000.00 shall be expended as a grant for the Michigan horse show
 22 association-fall youth show at the Michigan exposition and
 23 fairgrounds.

24 Sec. 409. Included in the appropriation made in section 101 for
 25 the thoroughbred program is \$29,000.00 for the Michigan united
 26 thoroughbred breeders and owners association to conduct a thoroughbred
 27 yearling show. The Michigan united thoroughbred breeders and owners
 28 association shall submit to the department an itemized list of

1 expenses showing that the expenses of the yearling show were paid.

2 Sec. 410. The department may carryforward unexpended appropriated
3 funds from the thoroughbred and standardbred sire stakes programs
4 pursuant to section 13(9) and (10) of the racing law of 1980, Act No.
5 327 of the Public Acts of 1980, being section 431.73 of the Michigan
6 Compiled Laws, for the purposes of reimbursement of sire stakes purses
7 for Michigan bred 2- and 3-year-old horse races held in the following
8 fiscal year.

9 Sec. 411. In any given year when insufficient amounts of
10 Michigan surplus products are offered to the food bank council and
11 accepted for distribution, unused funds may be applied by the food
12 bank council for the direct purchase of foods from Michigan growers,
13 manufacturers and/or wholesalers.

1 **GENERAL SECTIONS FOR FY94/95**

2 Sec. 1201. (1) In accordance with the provisions of section 30 of
3 article IX of the state constitution of 1963, total state spending in
4 this appropriation act is \$50,119,500.00 and state appropriations to
5 be paid to local units of government in section 101 are as follows:

6 **DEPARTMENT OF AGRICULTURE**

7	Grants to soil conservation districts	\$	937,000
8	Grants to cities with racetracks		1,745,600
9	TOTAL	\$	2,682,600

10 (2) When it appears to the principal executive officer of each
11 department that state spending to local units of government will be
12 less than the amount that was projected to be expended for any
13 quarter, the principal executive officer shall immediately give notice
14 of the approximate shortfall to the department of management and
15 budget, the senate and house appropriations committees, and the senate
16 and house fiscal agencies.

17 Sec. 1202. The appropriations made and the expenditures
18 authorized under this act and the departments, agencies, commissions,
19 boards, offices, and programs for which an appropriation is made under
20 this act are subject to the management and budget act, Act No. 431 of
21 the Public Acts of 1984, being sections 18.1101 to 18.1594 of the
22 Michigan Compiled Laws.

23 Sec. 1203. As used in this act:

24 (a) "Department" means the department of agriculture.

25 (b) "Director" means the director of the department.

26 (c) "DAG-AMS" means the United States department of agriculture-
27 agriculture marketing service.

28 (d) "DAG-APHIS" means the United States department of

1 agriculture-animal plant health inspection service.

2 (e) "DAG-FS" means the United States department of agriculture-
3 forest service.

4 (f) "DAG-SRS" means the United States department of agriculture-
5 statistical reporting service.

6 (g) "EPA-OE" means the United States environmental protection
7 agency-office of enforcement.

8 (h) "EPA-OWWM" means the United States environmental protection
9 agency-office of water and waste management.

10 (i) "FTE" means full-time equated.

11 (j) "HHS-FDA" means the United States department of health and
12 human services-food and drug administration.

13 (k) "IDG" means interdepartmental grant.

14 Sec. 1204.. The department may receive and expend funds in
15 addition to those authorized in section 101 for conducting training
16 and orientation workshops and seminars that are consistent with the
17 programmatic mission of the individual unit sponsoring or coordinating
18 the program.

19 Sec. 1205. Of the funds appropriated in section 101 which are in
20 units other than the grants unit, the department may provide grants to
21 local government agencies, institutions of higher education, or
22 nonprofit organizations. The grants shall be used to support research
23 or other related activities for the purpose of enhancing the
24 agricultural industries in this state.

25 Sec. 1206. The funds appropriated in section 101 from the central
26 funds for acquiring additional federal funds shall not be expended
27 until the grant money is authorized by the grantor. Expenditure of
28 those funds shall be controlled through the allotment process. Funds

1 accepted under this section shall not be authorized if the receipt of
2 the funds mandates a commitment for state funding at a future date.

3 Sec. 1207. (1) Beginning October 1, 1994, there shall be a hiring
4 freeze imposed on the state classified civil service. State
5 departments and agencies shall be prohibited from hiring any new full-
6 time state classified civil service employees or prohibited from
7 filling any vacant state classified civil service positions. This
8 hiring freeze does not apply to internal transfers of classified
9 employees from one position to another within a department or to
10 positions that are funded with 80% or more federal or restricted
11 funds.

12 (2) The director of the department of management and budget shall
13 grant exceptions to this hiring freeze when the director believes that
14 such a hiring freeze will result in rendering a state department or
15 agency unable to deliver basic services. The director of the
16 department of management and budget shall report by the fifteenth of
17 each month to the chairperson of the senate and house appropriations
18 committees the number of exclusions to the hiring freeze approved
19 during the previous month and the reasons to justify the exclusion.

20 Sec. 1208. Increases in employee wage compensation which accrue
21 as a result of savings in group insurance costs in accordance with
22 terms of valid collective bargaining agreements shall be paid from
23 appropriations lines in Section 102 in which authorization for salary
24 and wage payments are included. If a transfer of appropriations is
25 necessary to adjust for these increased wage levels, the director of
26 the department of management and budget may authorize administrative
27 transfers for this purpose consistent with Section 393(1) of Act 431
28 of the Public Acts of 1984, as amended, being section 18.1393(1) of

1 the Michigan Compiled Laws.

2 Sec. 1209. All savings accruing from reduced contribution rates
 3 for the state employees retirement system shall be unallotted from
 4 appropriation line items as necessary. Such reductions in
 5 contribution rates are contingent upon enactment of amendments to the
 6 state employees retirement act of 1943, Act No. 240 of the Public Acts
 7 of 1943, being sections 38.1 to 38.48 of the Michigan Compiled Laws,
 8 including a defined contribution retirement plan for new state
 9 employees within the membership of such plan; changes in funding for
 10 the provision of dental and vision benefits; five year reconciliation
 11 smoothing; use of a 50 year amortization schedule for unfunded
 12 actuarial accrued liabilities; and other amendments to the act. The
 13 director of the department of management and budget shall issue
 14 instructions to all state agencies regarding contribution changes as
 15 they occur.

16 **DEPARTMENT OPERATIONS**

17 Sec. 1301. The appropriations in section 101 may be used for per
 18 diem payments to members of boards, committees, and commissions for a
 19 full day's board, committee, or commission work at which a quorum is
 20 present; for attending a hearing as authorized by the respective
 21 board, committee, or commission; or for performing official business
 22 as authorized by the respective board, committee, or commission. The
 23 per diem payments shall be at a rate as follows:

- 24 (a) Commission of agriculture \$75.00 per day
- 25 (b) Upper Peninsula state fair board \$50.00 per day
- 26 (c) Agricultural marketing and bargaining
- 27 board \$35.00 per day

28 Sec. 1302. (a) The department may receive and expend revenue and

1 use those revenues to cover necessary expenses related to
2 publications, audit and licensing functions, livestock sales,
3 certification of nursery stock, bean inspection services, and
4 laboratory analyses as specified in the following subsections:

5 (b) Management services publications

6 (c) Management services audit and licensing functions

7 (d) Upper peninsula state fair livestock sales.

8 (e) Pesticide and plant pest management propagation and
9 certification of virus free foundation stock.

10 (f) Marketing and market development protection bean inspection
11 and grading services.

12 (g) Laboratory support testing for testing horses in draft horse
13 pulling contests at county fairs when local jurisdictions request
14 state assistance.

15 (h) Laboratory support analyses to determine foreign substances in
16 horses engaged in racing or pulling contests at tracks.

17 (i) Laboratory support analysis of food, livestock, and
18 agricultural products for disease, toxic materials, foreign products
19 for disease, toxic materials, foreign substances, and quality
20 standards.

21 (j) Laboratory support analysis of liming samples.

22 (k) Laboratory support analysis of feed and fertilizer samples.

23 (l) Laboratory support test samples for other agencies and
24 organizations.

25 Sec. 1303. Of the funds appropriated in section 101 to the
26 pesticide and plant pest management program, up to \$100,000.00 may be
27 made available to the Michigan cooperative extension service for the
28 purpose of training of applicators. Reimbursement shall be based on

1 actual expenditures and revenue availability.

2 Sec. 1304. (1) From the amount appropriated in section 101 for
3 the pesticide and plant pest management program, \$100,000.00 shall be
4 allocated to Michigan State University for a gypsy moth education
5 program.

6 (2) Any unexpended balance which is allocated pursuant to this
7 section shall be carried forward as a work project. The purpose of
8 the project is to provide public information regarding Gypsy Moth
9 infestation. The project will be managed by Michigan State University
10 through a \$100,000.00 contract to be completed September 30, 1995.

11 Sec. 1305. The racing commissioner may pay rewards of not more
12 than \$5,800.00 to a person who provides information which results in
13 the arrest and conviction on a felony or misdemeanor charge for a
14 crime which involves the horse racing industry. A reward paid
15 pursuant to this section shall be paid out of the licensing and
16 regulation line item.

17 Sec. 1306. Included in section 101 is an amount not to exceed
18 \$380,000.00 for promotion of attendance at pari-mutuel horse racing.
19 The state funds shall be matched before expenditure such that each
20 \$2.00 of state funds is matched by \$1.00 of private industry funds. A
21 race meeting licensee or an association of thoroughbred and harness
22 racetracks or any horsemen's group may submit a plan and proposal to
23 the racing commissioner for use of funds authorized to be expended for
24 promotion of attendance at pari-mutual horse racing. A plan shall be
25 submitted by the commissioner to the chairpersons of the senate and
26 house subcommittees on agriculture at least 30 days before the funds
27 may be expended. Each licensee or association of thoroughbred and
28 harness racetracks or horsemen's group shall be eligible for

1 promotional funds.

2 **GRANTS**

3 Sec. 1401. Of the \$98,800.00 appropriated in section 101 for the
4 Great Lakes draft horse show, \$35,500.00 shall be made available for
5 the Michigan dynamometers association, \$58,500.00 shall be made
6 available for the Michigan draft horse breeders association, and
7 \$4,800.00 shall be used for advertisement and promotion of an annual
8 Great Lakes international draft horse show.

9 Sec. 1402. The independent audits of local units of government,
10 as required by the uniform budgeting and accounting act, Act No. 2 of
11 the Public Acts of 1968, being sections 141.421 to 141.440a of the
12 Michigan Compiled Laws, shall include an examination to determine the
13 accuracy of reports submitted in compliance with section 404 of this
14 act.

15 Sec. 1403. Of the \$137,500 appropriated in section 101 for water
16 wonderland breeder awards, not more than 2% of the amount appropriated
17 may be used for administrative expenses required to manage the
18 program, the remainder shall be expended for premiums, judges, ribbons
19 and trophies, promotion, and to send state champions to national
20 shows. Large breeds receiving over \$8,000.00 may use up to 20% for a
21 show held separate from county or state fairs.

22 Sec. 1404. A county fair, district fair, 4-H fair, or state fair
23 receiving funds under this act to be used for prizes or awards, in
24 whole or in part, as a condition precedent to the receiving of the
25 funds for those purposes, shall publish the rules relative to the
26 prizes, awards, and deadlines for entries eligible for the funds in
27 their official premium books or lists relative to the prizes or
28 awards. An aggrieved exhibitor may make a written complaint to the

1 fair within 10 days after the fair ends. If the fair has not
 2 satisfactorily settled the grievance within 45 days after it is
 3 submitted to the fair, the aggrieved person may file the complaint
 4 with the department and the department shall investigate the complaint
 5 and make a finding of fact regarding the complaint and take
 6 appropriate action regarding the complaint.

7 Sec. 1405. Of the horse race revenues collected for the
 8 standardbred sire stakes program, grants to cities with racetracks,
 9 and the thoroughbred sire stakes program, \$2,045,400.00 shall be
 10 appropriated to the general fund of the state in the following
 11 respective amounts: standardbred sire stakes program - \$127,900.00;
 12 grants to cities with racetracks - \$1,839,100.00; thoroughbred sire
 13 stakes program - \$78,400.00.

14 Sec. 1406. (1) Except as provided in subsection (2), the
 15 appropriation of \$284,500.00 in section 101 for purses and supplements
 16 - licensed tracks is intended to provide state purse supplements for 4
 17 races at state licensed pari-mutuel horse racing tracks. The purse
 18 supplements are to be used for races comprised only of Michigan bred
 19 horses segregated into a 4-year-old colt trot division, a 4-year-old
 20 filly trot division, a 4-year-old colt pace division, and a 4-year-old
 21 filly pace division.

22 (2) Of the \$284,500.00 appropriated in section 101 for purses and
 23 supplements licensed tracks, \$71,200.00 shall be allocated as follows:

24	Arabian and Appaloosa horse racing	\$	17,800
25	Quarter horse racing		53,400

26 Sec. 1407. Of the amount appropriated in section 101 for purses
 27 and supplements-fairs, a sufficient amount is appropriated to provide
 28 for overnight purse supplements at the maximum supplement of \$1,000.00

1 per overnight race.

2 Sec. 1408. Of the amount appropriated in section 101 for
3 premiums, \$12,000.00 shall be expended as a grant for the Michigan
4 horse show association-fall youth show at the Michigan exposition and
5 fairgrounds.

6 Sec. 1409. Included in the appropriation made in section 101 for
7 the thoroughbred program is \$29,000.00 for the Michigan united
8 thoroughbred breeders and owners association to conduct a thoroughbred
9 yearling show. The Michigan united thoroughbred breeders and owners
10 association shall submit to the department an itemized list of
11 expenses showing that the expenses of the yearling show were paid.

12 Sec. 1410. The department may carryforward unexpended
13 appropriated funds from the thoroughbred and standardbred sire stakes
14 programs pursuant to section 13(9) and (10) of the racing law of 1980,
15 Act No. 327 of the Public Acts of 1980, being section 431.73 of the
16 Michigan Compiled Laws, for the purposes of reimbursement of sire
17 stakes purses for Michigan bred 2- and 3-year-old horse races held in
18 the following fiscal year.

19 Sec. 1411. In any given year when insufficient amounts of
20 Michigan surplus products are offered to the food bank council and
21 accepted for distribution, unused funds may be applied by the food
22 bank council for the direct purchase of foods from Michigan growers,
23 manufacturers and/or wholesalers.

final page